Net-Worth-Game

Version 1.0

User's Manual

www.mizanhourepublications.com
epublications@mizanhour.com

Copyright ©2011 M. Izanhour, All rights reserved.
Lake Elsinore, CA USA

TABLE OF CONTENT

CHAPTER ONE - INTRODUCTION

CHAPTER TWO - INSTALLING NET-WORTH-GAME

CHAPTER THREE - GAME SETUP

CHAPTER FOUR - THE PROGRAM

CHAPTER FIVE - THE CARDS

CHAPTER SIX - OBJECTIVE

CHAPTER SEVEN - GAME PLAY

NOMENCLATURE

SUPPORT

CONTACT US

CHAPTER ONE - INTRODUCTION

Welcome to Net-Worth-Game. Net-Worth-Game (N-W-G) is a commercial and investment real estate game based on the real practice of investing in commercial and investment real estate.

The Net-Worth-Game is a grate way to learn real estate investing or improve your skills if you are already an active investor. Net-Worth-Game is developed on our flagship Real Estate Data Extreme software. It does the calculations for income, expense, appreciation, etc. each time the player completes a year (6 turns).

To start the play the banker clicks the dice button. The players investor icon will move around the board stopping on some random square. A listing card will pop up and the player will have the opportunity to purchase the property listed on the card. This procedure will continue for each player until there is a winner. The winner is the player that has the highest Net Worth after a predefined amount is reached ($1,000,000 or $2,000,000 or some other amount is reached or a predefined time is reached). All players are allowed to complete their turn.

Some times when the dice button is clicked a Bad card may pop up and the current player may have to pay a fee as described on the card.

Some times when the dice button is clicked a Good card may pop up and the current player may receive some money as described on the card.

On the sixth turn a New Year card will pop up and show the player's new Net Worth.

CHAPTER TWO - INSTALLING N-W-G

Download Net-Worth-Game Install.
Double click "Net-Worth-Game Install" icon.
Welcome screen will open.
Click “Next”. Read the user license agreement.
Click "Accept".
Click "Next" to accept the destination then.
Click “Next” and you will see the option to select or deselect where the icon will be placed.
Click “Next” and then Click “Install”.
Click “Finish”. You will have the Net-Worth-Game icon on your desktop. Right click on the N-W-G icon and select properties, the properties window will open. Click the down arrow of the Run field and select Maximized and then click OK. Congratulations, you have successfully installed Net-Worth-Game on your computer.

System Requirements
Net-Worth-Game runs on the following Windows operating system:

- Windows XP
- Windows Vista
- Windows 7

CHAPTER TREE - GAME SETUP

The game consists of a computer program and an instructional manual accessible from the help menu.

1. Install the program on your computer.
2. Connect your computer to a television or large monitor (recommended but not required)
3. Double click on the Net-Worth-Game icon on the desktop or click Net-Worth-Game on the Start menu.
4. Error Messages

5. Select the players play order (roll dice etc.). The game may be played by one or more players.
6. Select a Banker. The banker may or may not be a player in the current game (see The Program, The Bank below).
7. The Banker manages the program for the game.
8. The Banker will start the game by double clicking on the game icon.
9. The Net-Worth-Game will start with the Registration screen open if the game has not been registered. This screen will not display if the game has been registered.
10. The Banker will click the Continue button on the Registration screen.
11. The Banker will click on Game in the upper left corner of the menu bar and then click Start.
12. He or she will enter each players name in the Investors form in their play order.
13. All players start with $400,000 in their bank account.

CHAPTER FOUR - THE PROGRAM

The program consists of two main sections, the Investor section and the Property section.
The Investor section contains each investor's name and ID# and automatically calculates the player's bank balance and net worth. It contains the Dice button for launching the investor icon and also displays bank balance, players net worth, players turn count and property ID#.

The Property section is divided into three parts, the Investor, Property, and the Analysis parts.

1. The Investor part lists all the property in the order of their Property ID# and the Investor's ID number is entered when the property is purchased. When the **Select Investor's Property** button is clicked only the property of the selected investor is displayed in the grid.
2. The Property part describes the property and its features.
3. The Analysis part is were the properties financial calculations are displayed.

The program lists all of the property and keeps track of owners and the property they own.

The program keeps track of amount owed and payments on each property.

Income & Fees
Fees are amounts listed on **Bad** cards and are automatically deducted from players bank balance and net worth.

Income are amounts listed on **Good** cards and are automatically added to players bank balance and net worth.

Annual Adjustments
Appreciation, Income, and Expenses are calculated for each player's property after he/she completes 6 turns (New Year).

The Bank
The Bank distributes the starting bank roll (automatically done by program)

The Banker operates the computer program

The Banker has all of the property profiles and deeds

The banker collects all fines, mortgage payments, assessments, repair cost

(automatically done by program).

The Banker makes mortgage loans of the remaining down payment if a purchase down payment exceeds the bank balance of the player. The bank charges 10% interest on the negative balance of the player's bank account.

CHAPTER FIVE - THE CARDS

Property Profile

The Property Profile Analysis list the properties' current (starting) financial status.
These profiles may be displayed for the players as they land on the property so they can use this information in making the decision to purchase or not.

Good or Bad Cards

The Good(G) or Bad(B), 3" x 4" cards are randomly selected by the program and automatically pop up.

1. B-Repairs & replacement cost $5,000
2. G-Income tax refund $5,000
3. G-Property tax refund $5,000
4. B-Property tax assessment $10,000
5. G-Inheritance $25,000
6. B-Increase in flood insurance $10,000
7. B-Increase in fire insurance $10,000
8. G-Refund from construction cost $10,000
9. B-Additional cost for repairs $20,000
10. G-Inheritance $5,000
11. B-Legal cost $10,000
12. G-Refund overpayment of bond $20,000
13. B-Property tax assessment $20,000
14. G-Insurance refund $20,000
15. B-New roof $10,000
18. G-Court settlement $10,000
19. B-Fine $10,000

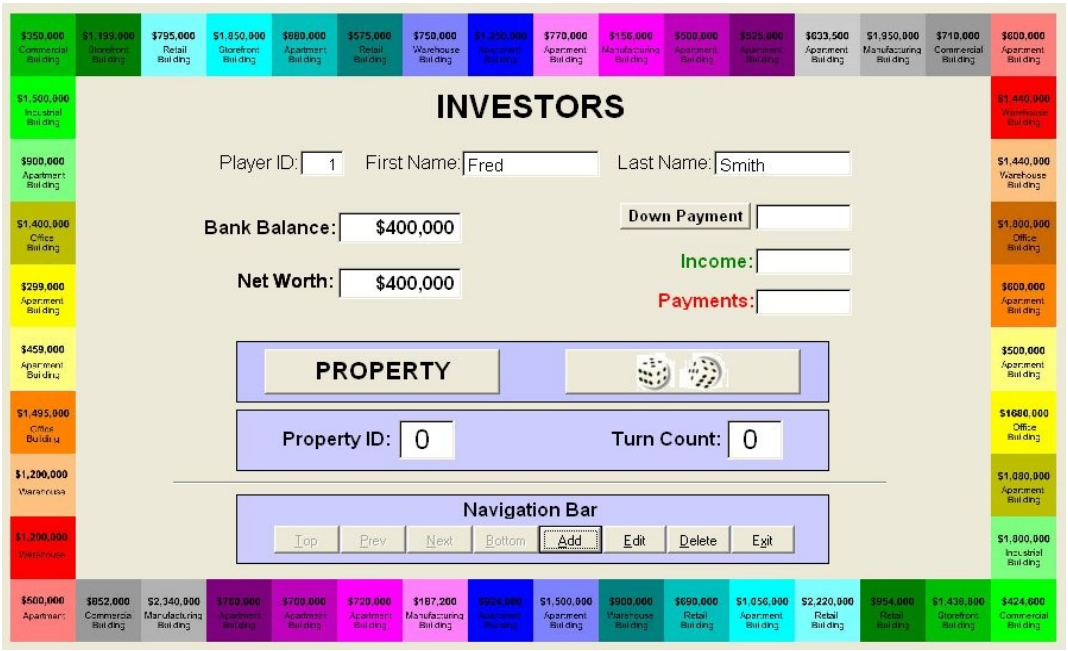
CHAPTER SIX - OBJECTIVE

The object of the game is to present real estate investment experience and practice, based on real world values and prices, for the experienced and inexperienced real estate investor or real estate professional.

The objective of the player (also referred to as investor) is to increase his or her net worth to a predefined amount such as $1,000,000 or a predefined time such as 1 hour. He or she acquires his or her wealth by collecting rent and appreciation on property owned. Net worth is increase or decrease by good and bad cards. The players take turns and the banker launches each player's investor icon around the board to randomly stop on a property. At this time the investor may view the property profile to determine if he/she wants to invest in the property. After an investor reaches the predefined value the remaining players that have not played their turn are allowed to take their turn and the game is ended. After the game has ended the player with the highest Net-Worth wins the game.

CHAPTER SEVEN - GAME PLAY

1. Select a Banker. The banker may or may not be a player in the current game. (see The Program, The Bank).
2. The Banker will start the game by Double clicking the **Net-Worth-Game** icon on the desktop or click **Net-Worth-Game** on the Start menu. The **Net-Worth-Game** will start with the Registration screen open if the game is not registered. After registering the program this screen will not display.
3. The Banker will click the Continue button on the Registration screen.
4. The Banker will click on Game and then click Start.

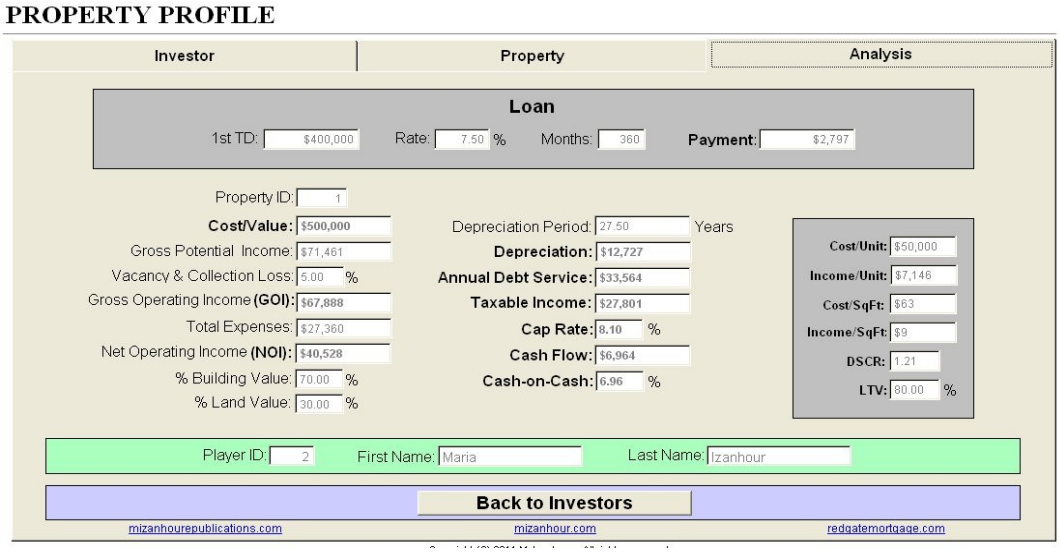


5. He or she will enter each player's name in the **Investors** form in their play order.

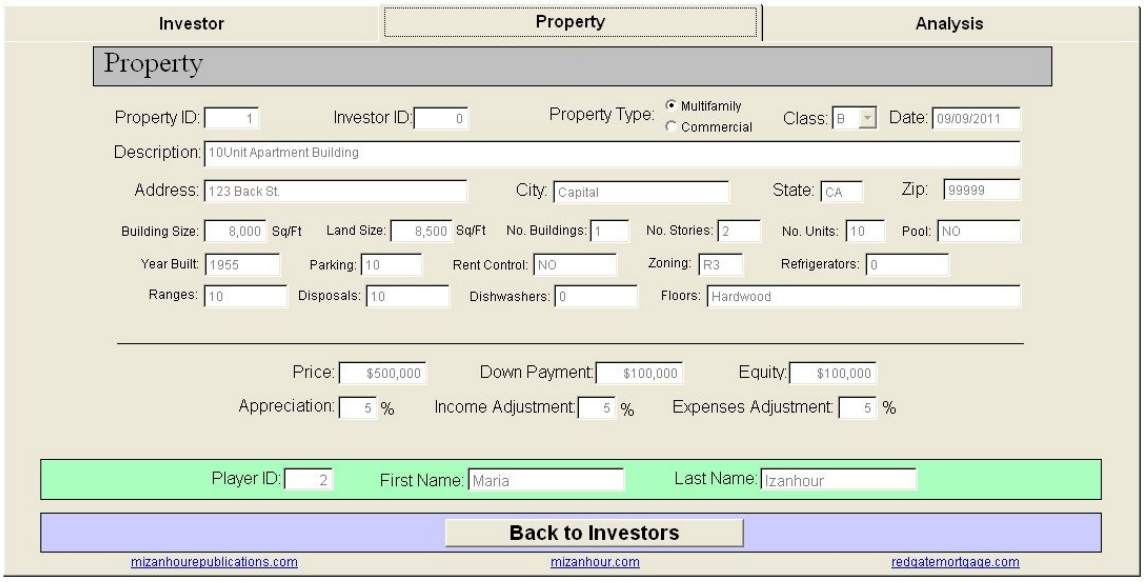
   - Click the **Add** button on the **Navigation Bar**.
   - Click inside the **Player ID** field. The player ID # will be entered automatically.
   - Click the **Tab** button or click in the **First Name** field and type in the player's first name.
   - Click **Tab** button or click inside the **Last Name** field and type in the player's last lame (optional). Once done click **Save** on the **Navigation Bar.** When all players are entered make sure you click on the **Top** button on the **Navigation Bar** to be sure you start with player #1.
   - Repeat the preceding four steps for each remaining player.

6. All players start with $400,000 in their bank account and $400,000 net worth.
7. The play begins when the banker clicks the **Dice button** and the investor icon moves around the board and stops on one of the property squares and the **Property Listing** card pops up or a **Good** or **Bad** card may pop up.

The player may request to view the **Property Profile.** The Property Profile may be viewed on the screen by clicking the **Property** button and then clicking the **Analysis** tab. The player may view the details of the property such as cash flow, debt, etc. Click the **Property** tab to see more details on the property.

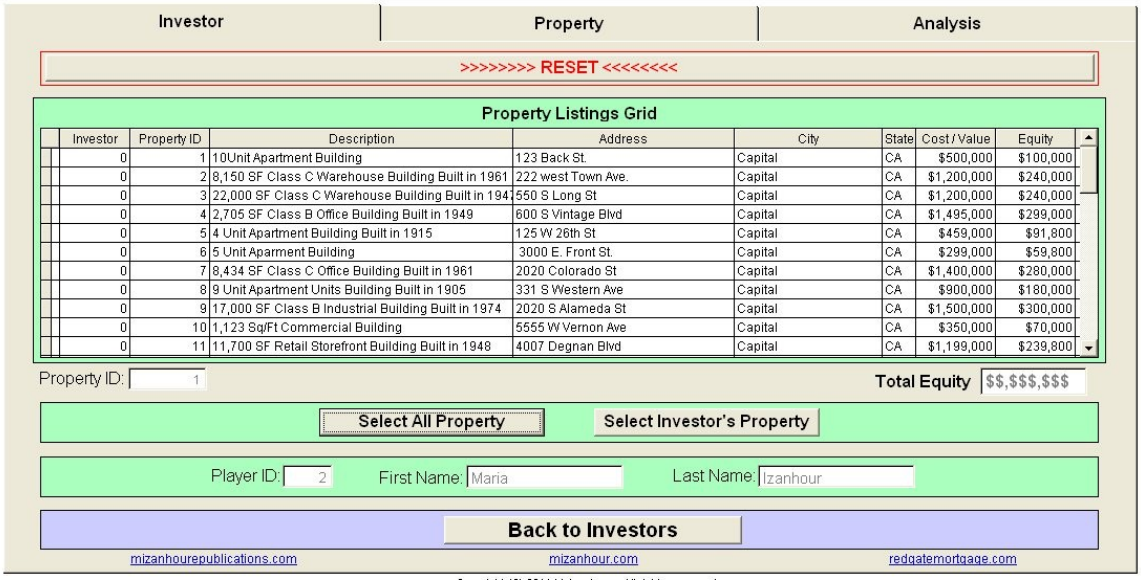


PROPERTY PROFILE



8. If the player wants to purchase the property he/she will request the **Property Profile** Sheet or request to view **Property Profile** on the screen. To view the property profile on screen the banker will click the **Property** button then click the **Analysis** tab. The correct property should already be selected (check the **Property ID#** to be sure). The buyer will check the Cash Flow to see if the property has acceptable return on investment. After deciding to purchase the property the player will instruct the banker that he/she wants to buy the property. The banker will click on the **investor** tab and after locating the property he will double click on the **investor** column next to the **Property ID#**. The **Player's ID#** will be entered (double click again if you wish to reverse the entry).

PROPERTY PROFILE


Investor
Property
Analysis
>>>>>>>> RESET <<<<<<<<
Property Listings Grid
Investor | Property ID | Description | Address | City | State | Cost / Value | Equity
0 | 1 | 10Unit Apartment Building | 123 Back St. | Capital | CA | $500,000 | $100,000
0 | 2 | 8,150 SF Class C Warehouse Building Built in 1961 | 222 west Town Ave. | Capital | CA | $1,200,000 | $240,000
0 | 3 | 22,000 SF Class C Warehouse Building Built in 194 | 550 S Long St | Capital | CA | $1,200,000 | $240,000
0 | 4 | 2,705 SF Class B Office Building Built in 1949 | 600 S Vintage Blvd | Capital | CA | $1,495,000 | $299,000
0 | 5 | 4 Unit Apartment Building Built in 1915 | 125 W 26th St | Capital | CA | $459,000 | $91,800
0 | 6 | 5 Unit Aparment Building | 3000 E. Front St. | Capital | CA | $299,000 | $59,800
0 | 7 | 8,434 SF Class C Office Building Built in 1961 | 2020 Colorado St | Capital | CA | $1,400,000 | $280,000
0 | 8 | 9 Unit Apartment Units Building Built in 1905 | 331 S Western Ave | Capital | CA | $900,000 | $180,000
0 | 9 | 17,000 SF Class B Industrial Building Built in 1974 | 2020 S Alameda St | Capital | CA | $1,500,000 | $300,000
0 | 10 | 1,123 Sq/Ft Commercial Building | 5555 W Vernon Ave | Capital | CA | $350,000 | $70,000
0 | 11 | 11,700 SF Retail Storefront Building Built in 1948 | 4007 Degnan Blvd | Capital | CA | $1,199,000 | $239,800
Property ID: 1
Total Equity $$,$$$,$$$
Select All Property
Select Investor's Property
Player ID: 2
First Name: Maria
Last Name: Izanhour
Back to Investors
mizanhourepublications.com
mizanhour.com
redgatemortgage.com

The banker will click on the **Back to Investors** button and you will be return to the **Investors** screen then click on the **Down Payment** button program will make the proper adjustment. Click Next to select the next player and repeat the previous steps.

If the player buys the property he must have enough money in his/her bank balance or a negative balance will be entered for the difference. If the **Net Worth** – The negative balance is less than 0 on New Year the player will be bankrupt and out of the game. If a player is bankrupt he or she will be removed from the game.

To remove a player the banker will do the following:

- Be sure the bankrupt player is selected.
- Click the **Property** button.
- Click the **Select Investor's Property** button.
- Click the **Reset** button
- Click **Back to Investors** button.
- Click **Delete** button.
- Click **Yes.**
- The bankrupted player is now removed from the game and his/hers property is available for the remaining players to purchase if they land on the them.

10. If a Good or Bad card pops up the player will receive some money (Good) or will be required to pay some money (Bad).

11. After the first player to have a net worth of $1,000,000, or what ever amount is agreed to, the remaining players are allowed to complete their turn then the player with the highest **Net-Worth** is the winner of the game.

12. Do the following to end and close a game:

- Click the **Property** button
- Click the **Select All Property** button
- Click the **Reset** button
- Click **Yes**
- Click **Back to Investors** button
- Click the **Delete** button and then **Yes** for each player
- Click **Exit**
- Click **Game**
- Click **Exit**
- Click **Yes**

Nomenclature

INVESTOR (Form)	
Navigation Bar	Relates to investor's records only
Player ID	Its a unique id for each player. It automatically increments when a new contact is added by clicking on the Player ID field.
First Name	Player first name
Last Name	Player last name
Down Payment	Subtracts the down payment from player's bank balance
Income	Adds income to player's bank balance and net worth
Payments	Subtracts payments from player's bank balance and net worth
Property	Switches from the **Investor** form to the **Property** form
Dice Button	Launches the **Investor** icon.
PROPERTY (Form)	
Investor Tab	
Reset	Resets property values to original values
Total Equity	Displays investors total equity when the Select Investor's Property button is clicked
Select All Property	Displays all property
Select Investor's Property	Displays all property purchased by the investor
Back to Investors	Switches from the **Property** form to the **Investor** form
Property Tab	
Property Type	Selects Multifamily or Commercial
Class	A, B and C
Date	Auto date when record is enter
Investor ID	Investor's ID number entered automatically when investor selects a property
Property ID	This is a unique number that identifies the individual property
Description	Property description of the subject property
Address	Subject property address
City	Subject property city
State	Subject property state
Zip	Subject property zip
Price	Listed price
Down Payment	Down payment on subject property
Property Taxes	Annual property taxes
Building Size	Number of buildings

Land Size	Sq. Ft.of the land
No. Buildings	Number of buildings
No. Stories	Number of floors/stories
No. Units	Number of units
Year Built	Enter four digit year
Pool	Pick list Yes/No
Parking	Total number of parking spaces
Rent Control	Pick list Yes/No
Zoning	Zoning
Refrigerators	Number of refrigerators
Ranges	Number of ranges
Disposals	Number of garbage disposals
Dishwashers	Number of dishwashers
Floors	Enter type of flooring like – carpet, hardwood, etc.
Construction	Floors, wall, roofing, etc.
Condition	Condition of property
ANALYSIS (Tab)	
Price/Value	Price is what seller is asking – Value is what is paid for the property
Total Annual Income	Total annual rental income + other income
Vacancy & Collection Loss	A percentage estimating annual vacancies and the cost to collect delinquent payments and evictions.
Gross Operating Income (GOI)	Gross rent + other income – vacancy and collection cost
Total Expenses	Total operating expenses.
Net Operating Income (NOI)	Total annual income – total operating expenses (not payments)
% Building Value	The percentage of the property's total value assessed to the building.
% Land Value	The percentage of the property's total value assessed to the land
Depreciation Period	27.5 years for residential income property and 39 years for commercial property.
Depreciation	Charge that represents the recovery of capital investment.
Annual Debt Service	Total payments including principal and interest.
Taxable Income	Income after expenses and depreciation.
Buyer's Marginal Tax Rate (Federal) (State)	The tax rate applied to the last dollar earned. Enter marginal taxes foe state and federal for after tax cash flow.
Cash Flow	Cash after all expenses and debt service.
Desired Cap Rate	Computes value based on investors desired cap rate.
VALUE (Based on Desired Cap Rate)	Computes value based on investors desired cap rate.
Price/Unit	Sale price/square foot of building
Income/Unit	Gross annual rental income / total number of income units.
Price/Sq Ft	Sale price/square foot of building
Income/Sq Ft	Gross annual rental income / total square footage.
DSCR (debt Service Coverage Ration)	Annual Monthly Payments calculated from (Finance tab) NOI / Annual Debt Service
GRM (Gross Rent Multiplier)	Annual net income (NOI) divided by total annual loan payments

Loan to Value	Total loans / property value/purchase price
Cap Rate	Percentage of net earnings based on the cost of the property. Cap Rate = NOI/Cost
Cash-on-Cash	Percentage of cash flow to cash down payment (cash flow/down payment).
CALCULATE Existing INCOME & EXPENSES	Calculations are based on existing income and expenses provided by owner.
CALCULATE Pro Forma INCOME & EXPENSES	Calculations are based on projected income and expenses estimated by investor.
10 Year Cash Flow	10 year projection of income & expenses, cash flow, cash-on-Cash, and cash-on-equity

Support

If you have support questions, email us at: support@mizanhour.com

If you believe that you are experiencing an undocumented software bug, please submit it to the email address above with all the information needed to reproduce the bug. This information should contain following information so we can serve you better:

- Product's name and version in the email subject.
- Your Operating System (Win 95, Win 98, Win ME, Win 2000, Win NT, Win XP, Windows Vista).
- The symptom of the problem.
- Any necessary steps to reproduce the problem.
- If you meet a problem in a registered product, please enclosed the registration name/code.

We will process your support request ASAP. You will usually get a response within 24 hours.

Contact Us

Feel free to contact us should you need any information or have any problems with our products. We are always here ready to serve you better.

Sales and Information/Technical Support

Email us: support@mizanhour.com